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File

MASSVAL MINES LIMITED

NO PERSONAL LIABILITY

EIGHTH ANNUAL REPORT

President

A. W. JOHNSTON

Vice-President

W. C. CAMPBELL

Secretary

L. E. WETMORE

Treasurer

W. M. O'SHAUGHNESSY

Directors

A. W. JOHNSTON

W. C. CAMPBELL

L. E. WETMORE

W. M. O'SHAUGHNESSY

H. B. HICKS

Transfer Agent and Registrar

CANADA PERMANENT TRUST COMPANY
MONTREAL

Auditors

CAMPBELL, LAWLESS & PUNCHARD, TORONTO

Head Office

SUITE 914 - 1155 DORCHESTER BOULEVARD WEST
MONTREAL 2, QUEBEC

Executive Office

SUITE 1600 - 100 ADELAIDE STREET WEST
TORONTO 1, ONTARIO

FOR THE YEAR ENDED DECEMBER 31, 1967

DIRECTORS' REPORT TO THE SHAREHOLDERS

We present the Annual Report for the year ended December 31, 1967, together with the Financial Statements as of that date and the Auditors' report thereon.

No new exploratory work was carried out during the year, but the 20-claim property in Valrennes Township in northwestern Quebec was maintained in good standing.

The company has also maintained its interest in Consolidated Canadian Faraday Limited in which it owns in excess of 36,000 shares. Faraday operates as a producing mining company and in addition carries on a wide-ranging program of exploration. The future success of Faraday is thus of importance to Massval.

The Annual Meeting of Shareholders has been called for June 19, 1968, at the Aeroport Hilton Hotel, Dorval, Quebec, at 10:00 o'clock in the forenoon. A notice of meeting and proxy form are enclosed.

On Behalf of the Board

ASHTON W. JOHNSTON
President

Toronto, Ontario
May 21, 1968

BALANCE SHEET

December 31, 1967

MASSVAL MINES LIMITED

(No Personal Liability)

(Amalgamated under the laws of Quebec)

ASSETS

		1966
Cash in bank	\$ 2,641	\$ 6,740
Investment in shares of other mining company at cost less proceeds of sale — Listed (Quoted market value \$107,197 — see Note 1)	91,902	91,904
Mining claims and interest in claims, at cost	1,162	1,162
Preproduction expenditure	36,407	32,104
	<u>\$ 132,112</u>	<u>\$ 131,910</u>

LIABILITIES

Accounts payable and accrued liabilities	\$ 916	\$ 714
CAPITAL STOCK		
Authorized: 5,000,000 shares of the par value of \$1.00 each		
Issued: 2,947,798 shares	\$2,947,798	2,947,798
Less discount on shares	2,062,458	2,062,458
	885,340	885,340
DEFICIT	754,144	754,144
	131,196	131,196
	<u>\$ 132,112</u>	<u>\$ 131,910</u>

NOTE 1: Included in the market value of \$107,197 is an amount of \$69,325 being the market value of shares which have been lodged with a depository in exchange for voting trust certificates under the terms of an agreement whereby the voting rights of the shares have been transferred to other persons. There is no quoted value for the voting trust certificates.

Approved on behalf of the Board

H. BRODIE HICKS, Director

W. M. O'SHAUGHNESSY, Director

AUDITORS' REPORT

We have examined the balance sheet of Massval Mines Limited (No Personal Liability) as at December 31, 1967 and the statements of deficit and preproduction expenses for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Company, the accompanying balance sheet and statements of deficit and preproduction expenses are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at December 31, 1967 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario
May 17, 1968

CAMPBELL, LAWLESS & PUNCHARD
Chartered Accountants

PREPRODUCTION EXPENSES MASSVAL MINES LIMITED
year to December 31, 1967 *(No Personal Liability)*

		1966
Balance at beginning of year	\$ 32,104	\$ 44,891
EXPLORATION EXPENSES		
Valrennes Township, Province of Quebec		
Licences and fees	447	380
Little Township, Province of Ontario		
Licences and fees	\$ —	100
Sundry	—	82
		182
ADMINISTRATIVE EXPENSES		
Head office and accounting services	800	—
Government fees and taxes	165	143
Legal and audit	650	790
Miscellaneous	60	34
Shareholders' information and annual meeting expense	489	580
Stock Exchange fees	100	100
Transfer agents' fees and expenses	1,592	1,655
	3,856	3,302
Total preproduction expenses for the year	4,303	3,864
	36,407	48,755
Deduct preproduction expenses re mining claims allowed to lapse — written off to deficit	—	16,651
Balance at end of year	\$ 36,407	\$ 32,104

DEFICIT

year to December 31, 1967

		1966
Balance beginning of year	\$ 754,144	\$ 736,593
Add — Mining claims in Little Township, Province of Ontario, allowed to lapse — written off		900
— Preproduction expenses re Little Township claims written off		16,651
		17,551
Balance end of year	\$ 754,144	\$ 754,144